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UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA – SANTA ANA DIVISION

In re:

HANNAH KIM

Debtor

Case. No: 8:17-bk-11664-TA

Adv. No.

Hon: THEODOR ALBERT

Chapter 7

**PLAINTIFF'S FIRST AMENDED
COMPLAINT TO DETERMINE
DISCHARGEABILITY PURSUANT TO 11
U.S.C. § 523(a)(2)(A) and 11 U.S.C. § 523(a)(4);
and for DENIAL OF DISCHARGE.**

G.F. KOREA, INC., and JI YOUNG KIM

Plaintiffs,

vs.

HANNAH KIM, an individual

Defendant

Status Conference:

Date: To Be Set by Summons

Time: To Be Set by Summons

Location: Ronald Reagan Courthouse
411 W. Fourth Street, Courtroom 5B
Santa Ana, CA 92701

**TO THE HONORABLE THEODOR ALBERT, FEDERAL BANKRUPTCY JUDGE, AND TO
DEBTOR HANNAH KIM AND HER ATTORNEY OF RECORD, AND TO ALL
INTERESTED PARTIES:**

Plaintiffs and Creditors G.F. Korea, Inc., and Ji Young Kim (hereinafter “Plaintiffs”) as unsecured creditors to the bankruptcy estate of In re Hannah Kim (“Debtor/Defendant”) case No. 8:17-bk-11664-TA holding an unsecured and contingent claim in the amount of \$516,329.40 respectfully represents and alleges with their Complaint seeking non-discharge of Debtor HANNAH KIM’s debt owed to Plaintiffs pursuant to 11 U.S.C. § 523(a)(2)(A) as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. §§ 151, 157, and 1334, 11 U.S.C. § 105, and 11 U.S.C. § 523, and Local Rules and Orders of the United States District Court for the Central District of California governing the reference and conduct of proceedings arising under or related to cases under Title 11 of the United States Code, including General Order No. 266, dated October 9, 1984.

2. This adversary proceeding is a core proceeding under 28 U.S.C. § 157.

3. Venue is proper in this Court under 28 U.S.C. § 1409(a) as this adversary proceeding arises under and in connection with a case under Title 11 which is pending in this district.

4. This Adversary Proceeding arises out of and relates to the Chapter 7 bankruptcy case of *In re Hannah Kim*, Case No. 8:17-bk-11664-TA, on the docket of this Court. The Debtor/Defendant’s bankruptcy case was commenced by the filing of a Voluntary Petition for Relief under Chapter 13 of Title 11 of the United States Bankruptcy Code, on May 11, 2017. The Court converted Debtor’s case to Chapter 7 on or around August 11, 2017.

5. Plaintiffs are partially secured creditors with a contingent claim against the Debtor’s Bankruptcy Estate in an amount of at least \$516,329.40 relating to fraud as found in Orange County Superior Court Case No. 30-2014-00755207-CU-BT-CJC (*G.F. Korea, Inc. v. YehYang, Inc. et al*) and ensuing jury verdict and Judgment (the “State Court Action”). A true and correct copy of said judgment is attached and incorporated hereto as EXHIBIT 1.

1 6. Debtor file post post-judgement motions, all of which were denied. The Honorable
2 Deborah Servino denied Debtor's Motion for New Trial and Motion for a Judgment Notwithstanding
3 the Verdict (JNOV).

4 7. Debtor HANNAH KIM, as the jury determined, was found liable for breach of fiduciary
5 duty and participating in a fraud against JIYOUNG KIM and GF KOREA. HANNAH KIM was found
6 by the jury to act with malice, fraud and oppression and was subject to punitive damages.

7 8. In addition HANNAH KIM was ordered to produce all documents reflecting her assets and
8 liabilities at the punitive damage phase of the aforementioned matter. Despite such a court order,
9 HANNAH KIM concealed that she entered into an agreement with her lawyers, KRING and CHUNG
10 LLP, in which she encumbered her residence with a lien literally on the last day of trial. This
11 encumbrance would reflect monies that were no even earned by KRING and CHUNG, in addition to
12 monies the BANGS and YEHYANG would have been obligated to pay as employees are indemnified
13 under the California Labor Code.

14 9. The Debtor Defendant's mailing address from the Court's Docket is:
15 Ms. Hannah Kim 4371 Pioneer St. Irvine, CA 92604-2700
16

17 **STATEMENT OF STANDING.**

18 10. The Plaintiffs, as creditors of the Debtor's bankruptcy estate, have standing to prosecute
19 this Adversary Proceeding under 11 U.S.C. § 523 *et seq.*
20

21 **GENERAL ALLEGATIONS.**

22 11. Plaintiff G.F. KOREA INC, and JI YOUNG KIM are informed and thereon believes and
23 alleges the following facts to justify that their claim of approximately \$516,329.40 not including
24 additional attorneys' fees and any and all pre-petition interest, against the Debtor/Defendant HANNAH
25 KIM shall be deemed non-dischargeable under Section 523(a)(2)(A) of the Bankruptcy Code.
26

27 **FACTUAL ALLEGATIONS.**
28

1 12. Plaintiffs and Creditors G.F. KOREA, INC. is a California corporation duly licensed and
2 registered within the State of California by the Secretary of State of California.

3 13. Plaintiff and Creditor JI YOUNG KIM is an individual residing in the County of Orange
4 County, State of California.

5 14. Plaintiffs G.F. KOREA, INC., and JI YOUNG KIM are cumulatively referred to as
6 Plaintiffs in this action.

7 15. Debtor/Defendant HANNAH KIM, an individual residing in the City of Irvine, in the
8 County of Orange, State of California.

9 16. Debtor/Defendant HANNAH KIM is an agent of YEHYAHG, INC.

10 17. The true names and capacities, whether individual, corporate or otherwise of
11 Defendants DOES 1 - 50, inclusive, are presently unknown to Plaintiff who therefore, sues said
12 Defendants by such names. Plaintiffs will ask leave of Court to amend this Complaint to insert the true
13 names and capacities when the same are ascertained. Plaintiffs are informed and believes and thereon
14 alleges that each of the Defendants designated herein as a DOE is legally responsible and in some
15 manner liable for the events and happenings herein referred to and caused damages proximately
16 thereby to Plaintiff as herein alleged.

17 18. Plaintiffs are informed and believes, and thereon allege that the acts and omissions
18 of the Defendant as alleged herein were undertaken as the agent, partner, joint venturer, employee,
19 co-beneficiary, trustee, and/or representative of each of the remaining Defendants and within the scope
20 of said relationships, and were authorized and ratified by the remaining defendants.

21 19. Plaintiffs have very limited language skills in English in both reading and writing.
22 Plaintiffs' native language is Korean. At all times relevant all oral communications between
23 Plaintiffs and Defendant KIM were in the Korean language.

24 20. Plaintiff and her husband came to the United States to meet with IK SOO BANG, a local
25 pastor of a for profit church located in Irvine, California. After several short trips and vacations with
26 the Plaintiff JI YOUNG KIM's children, the pastor IK SOO BANG offered to assist Plaintiff is
27 obtaining a green card, through an E-2 Visa program. IK SOO BANG took Plaintiff JI YOUNG KIM
28

1 to a meeting with IK SOO BANG's personally immigration attorneys (at the office location of the law
2 firm of Kring & Chung LLP.).

3 21. At their meeting Plaintiff was advised to purchase a small business and invest substantial
4 capital in this business that complied with USCIS E-2 Visa program, for fast tracking of immigration
5 visas to foreign nationals. At this meeting it was disclosed that the "pastor's wife" HYE YOUNG
6 BANG owned and operated several small businesses that met the USCS E-2 visa requirements. It was
7 suggested by IK SO BANG and HYE YOUNG BANG that Plaintiff purchase the Corean B.B.Q., a
8 small restaurant located within a small market in Tustin, California, from the Pastor's wife, HYE
9 YOUNG BANG.

10 22. HYE YOUNG BANG had formed a corporation Yehyang, Inc., and Defendant/Debtor
11 HANNAH KIM was an agent and officer of this corporation and was also operating the day to day
12 operations of Corea B.B.Q. and therefore had direct knowledge of the financial viability of the Corea
13 B.B.Q restaurant. HYE YOUNG BANG owed a fiduciary duty to YEHYANG.

14 23. JIYOUNG KIM and her husband JONG DAE LEE decided to put their life savings into
15 investing in Corea BBQ with a goal of having a business that would financially support the family and
16 allow their children to attend schools in the United States.

17 24. In order to facilitate this purchase, and with the assistance of IK SOO BANG and HYE
18 YOUNG BANG, JIYOUNG KIM formed GF KOREA in order to purchase the Corea BBQ restaurant
19 owned by HYE YOUNG BANG. HANNAH KIM was appointed as an corporate officer of GF
20 KOREA and assisted in opening a bank account for GF KOREA.

21 25. HANNAH KIM then shockingly entered into a purchase sale agreement on behalf of GF
22 KOREA, despite her remaining an officer of YEHYANG, the seller of the transaction.

23 26. HANNAH KIM, IK SOO BANG and HYE YOUNG BANG knew they were selling a
24 business to JIYOUNG KIM and GF KOREA that was essentially worthless because the business only
25 had a month to month lease.

26 27. Despite HANNAH KIM concealing the month to month lease to JIYOUNG KIM, HANNH
27 KIM would make representations to the United States Government that the business could produce
28

1 income for (5) years. The BANGS made representations that KIM would be able to run the business
2 for many years to come.

3 28. Defendant IK SOO BANG and HYE YOUNG BANG, made numerous representations that
4 the “Corean B.B.Q.” restaurant was making sufficient money to support Plaintiff’s E-2 requirements.
5 Debtor HANNAH KIM specifically made representations to the United States Government on behalf
6 of GF KOREA in order for GF KOREA to obtain visas for JIYOUNG KIM. HANNAH KIM made
7 representations of sufficient income and projected positive cash flow for (5) years. HANNAH KIM
8 knew this was false as she had executed a lease which was only month to month.

9 29. Defendant HANNAH KIM was also operating the Corean B.B.Q. restaurant and reported it
10 was financially stable, in the black, and making approximately \$17,000 per month in profits, enough to
11 pay for Plaintiff JI YOUNG KIM’s children to remain in California, receive an education in California
12 under the oversight of the Bang’s church. Most importantly Defendants HANNAH KIM and the
13 BANGS made representations that the Corean B.B.Q. restaurant was a viable E-2 visa approved
14 business and was worth well in excess of the sales price in excess of \$300,000.00 demanded by the
15 Bangs and Defendant HANNAH KIM. Furthermore, Defendant HANNAH KIM’S husband was a
16 deacon and close friend of the BANGS, who also have been selling other businesses to Korean
17 immigrants under the guise that they were also successful businesses that met the requirements of
18 USCIS E-2 visa requirements, and also provided enough financial security to support the potential
19 buyer’s needs. After purchasing the Corean B.B.Q. restaurant, Defendant HANNAH KIM requested
20 Plaintiff’s send over large sums of money to keep the Corean B.B.Q. restaurant functioning. However
21 Defendant HANNAH KIM gave these monies to her friend, Hye Young Bang, and Ik Soo Bang.

22 30. At the times Defendant HANNAH KIM made these factual representations concerning the
23 financial condition and projected financial success of the Corean B.B.Q. to Plaintiff JI YOUNG KIM,
24 Defendant HANNAH KIM was not only an agent of the Bang’s corporation YehYang, Inc., but also
25 operated and oversaw the daily operations of the Corean B.B.Q. restaurant. Defendant HANNAH KIM
26 was responsible for overseeing the financial affairs of the bookkeeping and payroll expenses for the
27 restaurant and therefore possessed specialized knowledge known to her and not Plaintiffs. Defendant
28 HANNAH KIM represented the restaurant as profitable.

1 31. Defendant HANNAH KIM, and the Bangs made these representations of the financial
2 health and viability of the Corea B.B.Q. to Plaintiff JI YOUNG KIM with knowledge of their falsity,
3 and/or reckless disregard of the representations truth as Defendant HANNAH KIM had exclusive and
4 specialized knowledge of the daily financial affairs of the Corea B.B.Q. restaurant's financial
5 operations. Defendant HANNAH KIM also represented that the Corea B.B.Q. restaurant made
6 approximately \$40,000 more dollars since the sale, but failed to explain that the restaurant was unable
7 to pay its bills, especially payroll.

8 32. Defendants HANNAH KIM'S false representations and/or omissions of the financial health
9 of the BANG'S Corea B.B.Q. restaurant were made with the intent to induce Plaintiff Ji Young Kim to
10 purchase the Corea B.B.Q. restaurant and invest approximately \$300,000.00 into the business that was
11 later valued at substantially lower value than represented. A further condition of the sale was that
12 Defendant HANNAH KIM would stay on to run the Corea B.B.Q. restaurant while Plaintiff JI
13 YOUNG KIM returned to Korea. Defendant HANNAH KIM, was reposed with a fiduciary duty by
14 and owed to Plaintiffs to run Corea B.B.Q. and to work in Plaintiffs' sole interest. Defendant
15 HANNAH KIM breached this duty by misdirecting Plaintiffs' funds and continue in HANNAH
16 KIM'S false representations to Plaintiffs, in a scheme to obtain more and more money, that Defendant
17 HANNAH KIM then secretly redirected to third parties, such as her husband and the BANGS, without
18 the consent or knowledge of Plaintiffs.

19 33. Plaintiff JI YOUNG KIM reasonably relied upon the representations of Defendant
20 HANNAH KIM and the BANG'S because of their standing in the Ark of Love Church in Irvine,
21 California, and specific verbal and written representations that HANNAH KIM and the BANGS knew
22 about business in the United States, more so than Plaintiff JI YOUNG KIM, especially the Corea
23 B.B.Q restaurant. Therefore Plaintiff JI YOUNG KIM purchased the Corea B.B.Q. restaurant on or
24 for approximately \$250,000.00, Plaintiffs then invested another \$57,000.00. Plaintiff later discovered
25 with extra \$57000.00 would be be used to reimburse HYE YOUNG BANG for paying "key money".

26 34. HANNAH KIM would issue this reimbursement of \$57,000.00 to HYE YOUNG BANG
27 even though the purchase sale agreement did not require this. In. essence HANNAH KIM funneled
28 money out of GF KOREA to HYE YOUNG BANG at the demand of HYE YOUNG BANG.

35. Defendant HANNAH KIM requested Plaintiff JI YOUNG KIM, who had formed a corporation (Plaintiff G.F. Korea, Inc.), to send substantial funds from Korea to keep the Corea B.B.Q. restaurant afloat. In addition, HANNAH KIM diverted these funds, including \$80,000.00 to “Sabang” a company operated by her own husband, and also other large amounts of money to the BANG’S, applying little to none to the Plaintiff’s Corea B.B.Q. restaurant. HANNAH KIM indeed testified in the State Court Trial that she had not deposited large amounts of money sent by Plaintiff JI YOUNG KIM into JI YOUNG KIM’S G.F. Korea, Inc.’s bank account. Moreover, Defendant HANNAH KIM represented that additional money was needed to pay for the maintenance, health and support of Plaintiff JI YOUNG KIM’S young children who were staying with the BANGS.

36. As the result of Plaintiff’s reasonable reliance in these representations made by Defendant HANNAH KIM and the BANG’S, Plaintiffs’ JI YOUNG KIM and her company G.F. KOREA, INC., suffered financial harm approximating \$516,329.40.

37. On September 28, 2016 and September 29, 2016 the Jury in the State Court Action returned an overwhelming verdict that Defendant HANNAH KIM, and the BANGS’S were liable for fraud, and had acted with *fraud, oppression and/or malice* warranting imposition of punitive damages pursuant to California Civil Code § 3294 “despicable” standards. The Jury made the finding of *fraud, oppression and/or malice* by a finding of “clear and convincing evidence” against Defendant HANNAH KIM, who was help joint and severally liable for all fraud related damages, and an additional \$150,000 in punitive damages for her “despicable” conduct.

38. At all times the aforementioned conduct of Debtor/Defendant HANNAH KIM’S was despicable and committed with malice, fraud, and oppression, to subject Defendant/Debtor to punitive damages under Ca. Civil Code § 3294.

39. On or around June 26, 2017 this Court granted Plaintiffs Motion to convert Debtor/Defendant Chapter 13 bankruptcy petition to Chapter 7, due to ineligibility under 11 U.S.C. § 109(e).

FIRST CAUSE OF ACTION
(Denial of Discharge - Fraud Against
Defendant HANNAH KIM and Doe Defendants)

[11 U.S.C. § 523(a)(2)(A)]

40. Plaintiffs incorporate by reference each and every allegation, including paragraphs 1-27 herein, as though fully set forth herein.

41. Debtor/Defendant HANNAH KIM made false representations and/or concealed material facts from Plaintiffs that were material to the sale of the Corea B.B.Q. restaurant.

42. Debtor/Defendant HANNAH KIM'S knew these representation were false or made them with reckless disregard of their truth, and/or concealment of facts related to the true sales value, lease deficiencies, and financial health for Corea B.B.Q. as represented to Plaintiffs.

43. That Defendant HANNAH KIM made these misrepresentations and/or omissions with the intent to cause Plaintiffs to purchase the failing Corea B.B.Q. restaurant from her friend, the BANGS

44. Plaintiffs reasonably relied upon Defendant HANNAH KIM'S knowingly false and/or reckless representations, and/or concealment of facts by Debtor/Defendant HANNAH KIM and the Bangs' were false due to their status in the local church, the Defendant's claimed specialized and exclusive knowledge of the Corea B.B.Q. restaurant. Defendant HANNAH KIM'S conduct induced Plaintiff's reliance, and played a substantial factor in inducing Plaintiffs to act by spending hundreds of thousands of dollars for the purchase of Corea B.B.Q. restaurant and its purported operating expenses.

45. As a result of Defendant HANNAH KIM'S aforementioned conduct, Plaintiffs have been damaged in an amount approximating \$516,329.40 inclusive of compensatory, exemplary damages, and attorney fees and costs, and state based interest calculated at 10% per annum.

46. Pursuant to U.S.C. § 523(a)(2)(A), the Court shall except from the Debtor/Defendant discharge any debt:

(a) A discharge under section 727, 1141, 1228(a), 1228(b), or 1328(b) of this title does not discharge an individual debtor from any debt—

(2) for money, property, services, or an extension, renewal, or refinancing of credit, to the extent obtained by—

(A) false pretenses, a false representation, or actual fraud, other than a statement respecting the debtor's or an insider's financial condition;

1 47. Plaintiffs are informed and thereon believes that as a result of the intentional fraudulent
2 conduct committed by Debtor/Defendant HANNAH KIM upon Plaintiffs, said damages caused by
3 Debtor/Defendant HANNAH KIM approximating \$516,329.40 inclusive of compensatory, exemplary
4 damages, and state based interest calculated at 10% per annum, should be declared exempted from
5 discharge under 11 U.S.C. § 523(a)(4).

6
7 **WHEREFORE**, Plaintiffs JI YOUNG KIM and G.F. KOREA prays for judgment under
8 Section 523(a)(2)(A) of the Bankruptcy Code against Debtor/Defendant HANNAH KIM as follows:

9
10 **ON THE FIRST CAUSE OF ACTION**

11 48. That Plaintiff HEE claims that total in the approximate amount of \$516,329.40, plus
12 accrued interest, against Debtor/Defendant KIM and in favor of Plaintiffs be deemed non-
13 dischargeable under Section 523(a)(2)(A) of the Bankruptcy Code, for fraud committed against
14 Plaintiffs.

15
16 **AS TO ALL CAUSES OF ACTION.**

17
18 49. For all fees and costs as provided under the law; and

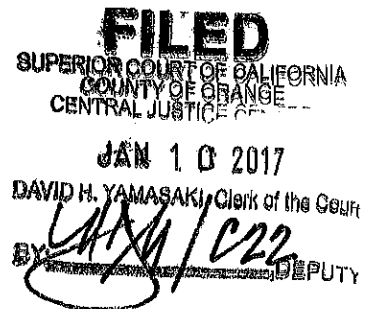
19
20 50. For all further relief and the Court deems just and proper.

21
22
23
24 Dated: March 21, 2018

By: 

CHARLES L. MURRAY III
Attorney for Plaintiff/Creditor
JI YOUNG KIM and
G.F. KOREA, INC.

12/16/2016 at 05:48:23 PM
Clerk of the Superior Court
By Enrique Veloz, Deputy Clerk



**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE-CENTRAL JUSTICE CENTER**

G. F. KOREA, INC.,

Plaintiff,

vs.

YEHYANG, INC., et al.,

Defendants.

Case No. 30-2014-00755207-CU-BT-CJC

Assigned for All Purposes To:
Judge: Hon. Deborah Servino

**PROPOSED FIRST AMENDED
JUDGMENT**

This cause came on regularly for trial on August 22, 2016 in Department C-23, the Honorable Deborah C. Servino, Judge of the Superior Court, presiding. Plaintiffs G.F. Korea, Inc. and JiYoung Kim and Cross-Defendants G.F. Korea, Inc., JiYoung Kim and Jong Dae Lee appeared by and through attorney Charles L. Murray III of the Law Office of Charles L. Murray III, their attorney. Defendants Yehyang, Inc., Ik Soo Bang, Hye Young Bang, and Hannah Kim and Cross-Complainants Hye Young Bang, and Hannah Kim appeared by and through attorney Matthew Reynolds of Kring & Chung, LLP, their attorney.

The trial was bifurcated. The first phase of the trial consisted of the liability issues on Plaintiffs

and Cross-Defendants G.F. Korea, Inc. and JiYoung Kim Complaint, and Defendants and Cross-Complainants Yehyang, Inc., Hye Young Bang, and Hannah Kim Cross-Complaint; the Second Phase would consist of punitive damages. A jury of twelve persons was regularly empanelled and sworn to try the action. On September 28, 2016 the Jury returned its verdict on the First Phase. On September 29, 2016 the Jury returned its verdict on the Second Phase.

FIRST PHASE OF THE TRIAL-SPECIAL VERDICT FORM

After hearing the evidence, arguments of counsel, and instructions of the Court, and the following questions as stipulated to by the parties, the jury deliberated and unanimously returned the special verdict on the first phase-complaint, of the trial that stated:

For each claim, select one of the two options listed and answer any follow-up questions.

1. On Hannah Kim's claim against G.F. Korea for unpaid overtime

_____ we find in favor of Hannah Kim and against G.F. Korea.

 X we find in favor of G.F. Korea against Hannah Kim.

If you find in favor of Hannah Kim, what is the amount of wages owed? \$ ____.

2. On Hannah Kim's claim against G.F. Korea for unpaid minimum wages

_____ we find in favor of Hannah Kim and against G.F. Korea.

 X we find in favor of G.F. Korea and against Hannah Kim.

If you find in favor of Hannah Kim, what is the amount of wages owed? \$ ____.

If you find in favor of Hannah, how many hours was Hannah Kim paid less than the minimum wage? ____ hours.

3. On Hannah Kim's claim against G.F. Korea for unpaid meal premiums

_____ we find in favor of Hannah Kim and against G.F. Korea.

 X we find in favor of G.F. Korea and against Hannah Kim.

1 If you find in favor of Hannah Kim, what is the amount of wages owed? \$ ____.

2 4. On Hannah Kim's claim against G.F. Korea for unpaid rest premiums

3 ____ we find in favor of Hannah Kim and against G.F. Korea.

4 X we find in favor of G.F. Korea and against Hannah Kim.

5 If you find in favor of Hannah Kim, what is the amount of wages owed? \$ ____.

7 5. On Hannah Kim's claim against G.F. Korea for unpaid/untimely wages

8 ____ we find in favor of Hannah Kim and against G.F. Korea.

9 X we find in favor of G.F. Korea and against Hannah Kim.

10 If you find in favor Hannah Kim, what are the total amount of wages owed? \$ ____.

11 If you find in favor of Hannah Kim, how many calendar days did G.F. Korea fail to pay/tender
12 payment of the full amount of Hannah Kim's wages? ____ days.

13 What was Hannah Kim's daily wage rate at the time G.F. Korea failed to pay/tender payment
14 of her wages? \$ ____ per day.

16 6. On Hannah Kim's claim against G.F. Korea for wages not timely paid upon termination

17 ____ we find in favor of Hannah Kim and against G.F. Korea.

18 X we find in favor of G.F. Korea and against Hannah Kim.

19 If you find in favor of Hannah Kim, how many calendar days following Hannah Kim's last day
20 of employment did G.F. Korea fail to pay/tender payment of the full amount of Hannah Kim's
21 wages? ____ days.

22 What was Hannah Kim's daily wage rate at the time G.F. Korea failed to pay/tender payment
23 of her wages \$ ____ per day.

24 If you find in favor of Hannah Kim, what are the total amount of wages owed? \$ ____.

26 7. On Hannah Kim's claim against G.F. Korea for failure to provide itemized wage statement:

27 ____ we find in favor of Hannah Kim and against G.F. Korea.

28 X we find in favor of G.F. Korea and against Hannah Kim.

1 If you find in favor of Hannah Kim, how many pay periods did G.F. Korea fail to provide an
2 itemized wage statement? ____ pay periods.

3 We award Hannah Kim the following damages: \$ ____.

4
5 8. On Hye Young Bang's claim against Ji Young Kim for common count for work and labor
6 services

7 ____ we find in favor of Hye Young Bang and against Ji Young Kim.

8 __X__ we find in favor of Ji Young Kim and against Hye Young Bang.

9
10 9. On Hye Young Bang's claim against Jong Dae Lee for common count for work and labor
11 services

12 ____ we find in favor of Hye Young Bang and against Jong Dae Lee.

13 __X__ we find in favor of Jong Dae Lee and against Hye Young Bang.

14
15 10. On Hye Young Bang's claim against Ji Young Kim for breach of oral contract

16 ____ we find in favor of Hye Young Bang and against Ji Young Kim.

17 __X__ we find in favor of Ji Young Kim and against Hye Young Bang.

18
19 11. On Hye Young Bang's claim against Jong Dae Lee for breach of oral contract

20 ____ we find in favor of Hye Young Bang and against Jong Dae Lee.

21 __X__ we find in favor of Jong Dae Lee and against Hye Young Bang.

22 If you find in favor of Hye Young Bang on at least one of her claims against Ji Young Kim or
23 Jong Dae Lee in Questions 8-11,

24 How much do you award Hye Young Bang in damages? \$ ____.

25
26 12. On Hye Young Bang's claim against Ji Young Kim for breach of loan agreement

27 ____ we find in favor of Hye Young Bang and against Ji Young Kim.

28 __X__ we find in favor of Ji Young Kim and against Hye Young Bang.

1 13. On Hye Young Bang's claim against Jong Dae Lee for breach of loan agreement

2 _____ we find in favor of Hye Young Bang and against Jong Dae Lee.

3 __X__ we find in favor of Jong Dae Lee and against Hye Young Bang.

4
5 14. On Hye Young Bang's claim against G.F. Korea for breach of loan agreement

6 _____ we find in favor of Hye Young Bang and against G.F. Korea.

7 __X__ we find favor of G.F. Korea and against Hye Young Bang.

8 If you find in favor of Hye Young Bang on at least one of her claims against Ji Young Kim,
9 Jong Dae Lee, or G.F. Korea in Questions 12-14,

10 How much do you award Hye Young Bang in damages? \$ ____.

11
12 15. On G.F. Korea's claim against Yehyang, Inc. for breach of contract

13 __X__ we find in favor of G.F. Korea and against Yehyang, Inc. and award damages to G.F.
14 Korea in the amount of \$ 1.00.

15 _____ we find in favor of Yehyang, Inc. and against G.F. Korea.

16
17 16. On G.F. Korea's claim against Hye Young Bang for money had and received

18 __X__ we find in favor of G.F. Korea and against Hye Young Bang and award damages to
19 G.F. Korea in the amount of \$ 66,300.00.

20 _____ we find in favor of Hye Young Bang and against G.F. Korea, Inc.

21
22 17. On G.F. Korea's claim against Hannah Kim for breach of fiduciary duty

23 __X__ we find in favor of G.F. Korea against Hannah Kim and award damages to G.F. Korea
24 in the amount of \$ 30,000.00.

25 _____ we find in favor of Hannah Kim and against G.F. Korea.

26
27 18. On G.F. Korea's claim against Hye Young Bang for fraud

28 __X__ we find in favor of G.F. Korea and against Hye Young Bang.

1 _____ we find in favor of Hye Young Bang and against G.F. Korea.

2

3 19. On G.F. Korea's claim against Ik Soo Bang for fraud

4 ___X___ we find in favor of G.F. Korea and against Ik Soo Bang.

5 _____ we find in favor of Ik Soo Bang and against G.F. Korea.

6

7 20. On G.F. Korea's claim against Hannah Kim for fraud

8 ___X___ we find in favor of G.F. Korea against Hannah Kim.

9 _____ we find in favor of Hannah Kim and against G.F. Korea.

10

11 21. On G.F. Korea's claim against Yehyang, Inc. for fraud

12 ___X___ we find in favor of G.F. Korea and against Yehyang, Inc.

13 _____ we find in favor of Yehyang, Inc. and against G.F. Korea.

14 If you find in favor of G.F. Korea on at least one of its claims against Yehyang, Inc., Hye
15 Young Bang, Hannah Kim, or Ik Soo Bang in Questions 18-21, how much do you award G.F.
16 Korea in damages? \$ 286,526.33.

17

18 22. On Ji Young Kim's claim against Hye Young Bang for fraud

19 ___X___ we find in favor of Ji Young Kim and against Hye Young Bang.

20 _____ we find in favor of Hye Young Bang and against Ji Young Kim.

21

22 23. On Ji Young Kim's claim against Ik Soo Bang for fraud

23 ___X___ we find in favor of Ji Young Kim and against Ik Soo Bang.

24 _____ we find in favor of Ik Soo Bang and against Ji Young Kim.

25

26 24. On Ji Young Kim's claim against Yehyang, Inc. for fraud

27 ___X___ we find in favor of Ji Young Kim and against Yehyang, Inc.

28 _____ we find in favor of Yehyang, Inc. and against Ji Young Kim.

1 If you find in favor of Ji Young Kim's on at least one of its claims against Hye Young Bang, Ik
2 Soo Bang, or Yehyang, Inc. in Questions 22-24, how much do you award Ji Young Kim in
3 damages? \$ 1.00.

4
5 If you found in favor of G.F. Korea or Ji Young Kim in any of the questions listed in Questions
6 18 through 24, please answer the questions as to those defendant(s) whom you found against.

7 We answer the questions submitted to us as follows:

8
9 25. Did Hye Young Bang engage in the conduct with malice, oppression, or fraud?

10
11 __X__ Yes No

12
13 26. Did Ik Soo Bang engage in the conduct with malice, oppression, or fraud?

14
15 __X__ Yes No

16
17 27. Did Hannah Kim engage in the conduct with malice, oppression, or fraud?

18
19 __X__ Yes No

20
21 28. Was the conduct constituting malice, oppression, or fraud committed by one or more officers,
22 directors, or managing agents of Yehyang, Inc. acting on behalf of Yehyang, Inc.?

23
24 __X__ Yes No

25
26 Signed: /s Presiding Juror

27 Presiding Juror

28 Dated: September 28, 2016

1 After all verdict forms have been signed, notify the court attendant that you are ready to present
2 your verdict in the courtroom.

3
4 **SECOND PHASE -PUNITIVE DAMAGES**

5
6 **SPECIAL VERDICT FORM – HANNAH KIM - PUNITIVE DAMAGES**

7 We, the jury, in the above entitled action, answer the following questions submitted to us as
8 follows:

9 Having found Defendant HANNAH KIM, by clear and convincing evidence, to have
10 acted by fraud, oppression or malice, we award JI YOUNG KIM and G.F. KOREA, INC. the
11 following punitive damages:

12 \$: 150,000.00

13
14 Dated: September 29, 2016

Signed: /s Presiding Juror
"Presiding Juror"

15
16
17
18 **SPECIAL VERDICT FORM - HYE YOUNG BANG - PUNITIVE DAMAGES**

19 We, the jury, in the above entitled action, answer the following questions submitted to us as
20 follows:

21 Having found Defendant HYE YOUNG BANG, by clear and convincing evidence, to
22 have acted by fraud, oppression or malice, we award JI YOUNG KIM and G.F. KOREA, INC.
23 the following punitive damages:

24 \$: 500,000.00

25
26 Dated: September 29, 2016

Signed: /s Presiding Juror
"Presiding Juror"

SPECIAL VERDICT FORM – IK SOO BANG - PUNITIVE DAMAGES

We, the jury, in the above entitled action, answer the following questions submitted to us as follows:

Having found Defendant IK SOO BANG, by clear and convincing evidence, to have acted by fraud, oppression or malice, we award JI YOUNG KIM and G.F. KOREA, INC. the following punitive damages:

\$: 500,000.00

Dated: September 29, 2016

Signed: /s Presiding Juror

“Presiding Juror”

SPECIAL VERDICT FORM – YEHYANG, INC. - PUNITIVE DAMAGES

We, the jury, in the above entitled action, answer the following questions submitted to us as follows:

Having found Defendant YEHYANG, INC., by clear and convincing evidence, to have acted by fraud, oppression or malice, we award JI YOUNG KIM and G.F. KOREA, INC. the following punitive damages:

\$: 150,000.00

Dated: September 29, 2016

Signed: /s Presiding Juror

“Presiding Juror”

1 **NOW, THEREFORE, IT IS ADJUDGED, ORDERED AND DECREED** that judgment be entered
2 in as follows:

3
4 **As to the Cross-Complainants' Cross-Complaint**

5 The Court orders judgment in favor of Cross Defendant G.F. Korea Inc. and against Cross-
6 Complainant Hye Young Bang.

7 The Court orders judgment in favor of Cross-Defendant Jiyoung Kim and against Cross-
8 Complainant Hye Young Bang.

9 The Court orders judgment in favor of Cross-Defendant Jong Dae Lee and against Cross-
10 Complainant Hye Young Bang.

11 The Court orders judgment in favor of Cross-Defendant G.F. Korea Inc. and against Cross-
12 Complainant Hannah Kim.

13
14 **As to the Plaintiffs' Complaint**

15 Wherein Plaintiff G.F. Korea Inc. elects the cause of action for Fraud against Yehyang, Inc.
16 instead of the cause of action for Breach of Contract.

17 The Court orders judgment in favor of Plaintiffs G.F. Korea Inc. and Jiyoung Kim against
18 Defendants Yehyang, Inc., Ik Soo Bang, Hye Young Bang, and Hannah Kim, on Defendants Yehyang,
19 Inc., Ik Soo Bang, Hye Young Bang, and Hannah Kim's by a finding of clear and convincing evidence
20 of malice, oppression or fraud, in the following amounts:

21
22 **As to Fraud**

23 Judgment in favor of G.F. Korea, Inc., and joint and severally against Defendants Yehyang,
24 Inc. and Ik Soo Bang and Hye Young Bang and Hannah Kim, for Fraud, in compensatory
25 damages of \$286,526.33. **Totaling \$ 286,526.33**

26
27 In addition to the foregoing, Judgment in favor of Jiyoung Kim and joint and severally against
28 Defendants Yehyang, Inc. and Ik Soo Bang and Hye Young Bang and Hannah Kim, for Fraud,

1 in compensatory damages of \$1.00. **Totaling \$ 1.00**

2
3 **As to Money Had Received**

4 In addition to the foregoing, Judgment in favor of G.F. Korea Inc. against Hye Young Bang, for
5 Money Had Received, in compensatory damages of \$66,300.00: **Totaling \$66,300.00**

6
7 **As to Breach of Fiduciary Duty**

8 In addition to the foregoing, Judgment in favor of G.F. Korea Inc. against Hannah Kim, for
9 Breach of Fiduciary Duty, in compensatory damages of \$30,000.00: **Totaling \$30,000.00**

10
11 **As to Punitive Damages**

12 In addition to the foregoing, Judgment in favor of G.F. Korea, Inc. and Ji Young Kim, and
13 against defendant Hannah Kim in the amount for \$150,000.00 for punitive damages: **Totaling**
14 **\$ 150,000.00**

15
16 In addition to the foregoing, Judgment in favor of G.F. Korea, Inc. and Ji Young Kim, and
17 against defendant Yehyang, Inc. in the amount for \$150,000.00 for punitive damages: **Totaling**
18 **\$ 150,000.00**

19
20 In addition to the foregoing, Judgment in favor of G.F. Korea, Inc. and Ji Young Kim, and
21 against defendant Ik Soo Bang in the amount for \$500,000.00 for punitive damages: **Totaling \$**
22 **500,000.00**

23
24 In addition to the foregoing, Judgment in favor of G.F. Korea, Inc. and Ji Young Kim, and
25 against defendant Hye Young Bang in the amount for \$500,000.00 for punitive damages:
26 **Totaling \$ 500,000.00**

1 In addition to the foregoing sums, Plaintiffs and Cross Defendants GF KOREA, INC. and
2 JIYOUNG KIM and Defendant JONG DAE LEE are awarded costs, joint and severally, against
3 Defendants Yehyang, Inc. and Ik Soo Bang and Hye Young Bang and Hannah Kim in the amount of
4 \$23,619.09
5

6 All sums awarded hereunder will bear interest at the legal rate of 10% per annum from the date
7 of the judgment is entered until paid.
8

9
10 Dated: 4/10/2017



Hon. Deborah C. Servino
Judge of the Superior Court